

HOUSE BILL NO. 140

INTRODUCED BY G. MASOLO, HAINES

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT ~~TO PROVIDE~~ PROVIDING A MAXIMUM OF \$12,000 IN STUDENT LOAN REPAYMENT ASSISTANCE FOR MONTANA TEACHERS WITH CERTIFICATION OR ENDORSEMENT TO TEACH IN CRITICAL TEACHER SHORTAGE CERTIFICATION OR ENDORSEMENT AREAS; REQUIRING THE BOARD OF PUBLIC EDUCATION TO CREATE AND MAINTAIN A LIST OF CRITICAL TEACHER SHORTAGE CERTIFICATION OR ENDORSEMENT AREAS; ESTABLISHING CRITERIA FOR LOAN REPAYMENT ELIGIBILITY; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Teacher loan repayment assistance program.** Subject to a line item appropriation, the office of public instruction shall establish the Montana teacher loan repayment assistance program.

NEW SECTION. **Section 2. Critical teacher shortage areas.** (1) The board of public education, in consultation with the office of public instruction, shall create and maintain a list of critical teacher shortage certification or endorsement areas for the purposes of [sections 1 through 3].

(2) The board shall consider, at a minimum, the following factors in adding any certification or endorsement area to this list:

(a) demonstrated demand by Montana school districts for additional qualified teachers in the certification or endorsement area;

(b) the number of Montana university or college students currently pursuing the certification or endorsement through an accredited teacher education program; and

(c) the lack of a Montana certification or preparation program for the specific certification or endorsement area.

(3) The board of public education, in consultation with the office of public instruction, shall create and maintain a listing of geographic regions within the state that are experiencing critical teacher

1 shortages.

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3 NEW SECTION. **Section 3. Annual loan repayment assistance to beginning teachers in critical**
4 **teacher shortage certification or endorsement areas -- definition.** (1) Pursuant to subsections (5) and (6),
5 loan repayment assistance must be provided annually, for a maximum of 4 years, to a teacher who is
6 ~~newly~~ employed in a Montana school in a critical teacher shortage certification or endorsement area as
7 described on the critical shortage list required in [section 2(1)] if the teacher is:

8 (a) a full-time employee of a Montana public school district, as defined in 20-6-101, of an
9 education cooperative, as described in 20-7-451, ~~or~~ of the Montana school for the deaf and blind, as
10 described in 20-8-101, OR OF A STATE YOUTH CORRECTIONAL FACILITY, AS DEFINED IN 41-5-103;

11 (b) assigned to classroom instruction that requires certification or endorsement in a critical teacher
12 shortage certification or endorsement area;

13 (c) certified to teach in Montana under the provisions of 20-4-103;

14 (d) certified or endorsed in the critical teacher shortage certification or endorsement area
15 corresponding to the individual's primary classroom assignment; and

16 (e) a graduate of an accredited higher education teacher preparation program, as recognized by
17 the board of public education, who has incurred debt from a federal loan program to complete the
18 requirements for a baccalaureate or master's degree necessary for teaching certification or endorsement.
19 Eligible educational loans include all authorized federal educational loans, except federal PLUS loans, as
20 provided in 20 U.S.C. 1078-2, and portions of loans that are eligible for repayment by other federal, state,
21 or local loan forgiveness, discharge, or repayment incentive programs.

22 (2) A teacher is eligible for the loan repayment assistance in the school year beginning July 1 after
23 the teacher obtains the appropriate state certification from the office of public instruction. A teacher is
24 eligible to receive the loan repayment assistance AT ANY TIME during ~~the first 4 years of~~ eligible employment
25 in Montana school districts following the date of initial certification or endorsement in the critical teacher
26 shortage certification or endorsement area.

27 (3) By October 15, each Montana teacher who is eligible for loan repayment assistance under
28 subsection (1) shall submit a request to the superintendent of public instruction for loan repayment
29 assistance funds. The request must be made on a form prescribed by the superintendent of public
30 instruction and must include documentation that the teacher meets the criteria established in subsection

(1) for the current school fiscal year. The form must be accompanied by official verification or proof of the teacher's total unpaid, accumulated student loan debt in the first year of program eligibility along with any other required documentation necessary for the office of public instruction to issue a warrant to the teacher's education lender or loan holder.

(4) The superintendent of public instruction shall establish the loan repayment process to ensure the integrity of the program. The total amount of loan repayment assistance provided for an eligible teacher may not exceed \$12,000. The amount contractually committed in a year may not exceed the annual amount appropriated by the legislature.

(5) The total annual loan repayment assistance provided for any teacher in 1 year may not exceed the lesser of 25% of the teacher's total unpaid, accumulated student loan debt in the first year of eligibility or \$3,000, unless:

(a) the teacher is a recipient of other student loan repayment assistance from any other federal, state, local, or private program and has a total, accumulated student loan debt of less than \$12,000. If applicable, the annual loan repayment assistance must be reduced by the total amount that teacher has already received and will receive from the other programs during the school year, beginning July 1.

(b) the teacher is the recipient of other loan repayment assistance from any other federal, state, local, or private program and has a total, accumulated student loan debt of greater than \$12,000. The annual loan repayment assistance may not exceed the lesser of:

(i) 25% of the remainder of the teacher's total unpaid, accumulated student loan debt in the first year of eligibility minus the total expected loan assistance provided from other programs during the life of the loans; or

(ii) \$3,000.

(6) The obligation for funding the loan repayment assistance is an obligation of the state. This section may not be construed to require the superintendent of public instruction to provide loan repayment assistance to a qualifying teacher without an appropriation from the state to the teacher loan repayment ~~state special revenue account~~. If the appropriation for funding loan repayment assistance payments is less than the total amount for which Montana teachers qualify, the superintendent of public instruction shall give funding preference to teachers residing in the regions specified by the board of public education under [section 2(3)]. After applying the required funding preference, all other individual teacher loan repayments must be reduced in a manner that provides the same percentage reduction of loan repayment assistance

1 for each qualifying teacher.

2 (7) For the purposes of this section, "federal loan program" means student educational loans
3 authorized by Chapter 28, Subchapter IV, Part B, 20 U.S.C. 1071, et seq., Part C, 20 U.S.C. 1087a, et
4 seq., and Part D, 20 U.S.C. 1087aa, et seq.

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6 NEW SECTION. **Section 4. Codification instruction.** [Sections 1 through 3] are intended to be
7 codified as an integral part of Title 20, chapter 4, part 1, and the provisions of Title 20, chapter 4, part
8 1, apply to [sections 1 through 3].

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10 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2001.

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